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## The Mongolia Monitor

**News from USAID Mongolia** 

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### **Mission News:**

The normal holiday lull in project activity was intensified by a major reshuffling of personnel in the Government of Mongolia's (GOM) Cabinet of Ministers. Key counterparts and staff in the Ministries of Finance, Fuels & Energy, and Industry & Trade were not available and project implementation suffered accordingly. The new members of the Cabinet were confirmed by year end and USAID project activity levels are expected to pick up rapidly. USAID Mongolia Representative Barry Primm and Senior Program Manager Jeff Goodson took leave in December. TDY coverage was provided by USAID Cambodia's Supervisory Program Officer Joan Silver and USAID Manila's Supervisory Executive Officer Cory Edwards.

### **Program News:**

## PROGRAM AREA: PRIVATE SECTOR-LED ECONOMIC GROWTH

**Economic Policy Reform and Competitiveness Project (EPRC)** *Chemonics* 

www.eprc-chemonics.biz

### **Economic Policy Support**

Tax reform implementation support – USAID and the EPRC project received tentative dates from the U.S. Internal Revenue Service (IRS) International Visitor Program for the prospective visit of a delegation from the Mongolian Tax Authority (MTA). Dates for the visit are January 22 through January 24 and all meetings will be held at the IRS

headquarter in Washington, D.C. A tentative agenda for the delegation will become available early January.

### **Trade Policy Support**

Single electronic window for trade facilitation – The five member technical team from the Société Générale de Surveillance (SGS) and Crimson Logic arrived on 27 November to conduct a pro-bono feasibility analysis for the establishment of a single electronic window (SEW) for trade facilitation. Meetings were held with private sector stakeholders and agencies involved in the SEW Working Group (WG). The feasibility study team, WG members, private sector stakeholders and the EPRC trade team staff traveled to Zamyn Uud and Erlian, China, from 30 Nov. to 3 Dec. to examine border point customs clearance, tax and state inspection procedures, and railway operations.

The Director and staff of the Customs General Administration (CGA) and freight forwarders of Mongolia held meetings with their Chinese counterparts of Erlian to address current transportation, logistics, and cross-border access issues. There was ample discussion of suggested measures that parties must adopt to avoid the cargo logiam of last summer in Mongolia. Government-to-Government and Business-to-Business meetings will be held again in early 2008 to review options and put these measures in place. On 4 Dec., USAID offered a reception to SEW WG members and the visiting delegation.

National Committee on Trade and Transport Facilitation (NCTTF) – On the 3rd and 4<sup>th</sup> of Dec. an EPRC analyst worked jointly with Mr. Narendra Singru, ADB expert, in Zamyn Uud to examine the current status and capacity of transport and logistics infrastructure in preparation for the development of ADB's Five Year Assistance Strategy in the transport sector of Mongolia. Following the trip, the team had meetings with Mr. D. Ganbold, Chairman of Railway Regulatory Authority; Mr. L. Khaltar, Deputy Chairman of the Ulaanbaatar Railways (UBTZ); Mr. S. Demberel, Chairman of the Mongolian National Chamber of Commerce and Industry (MNCCI); and private sector representatives. EPRC has now hired two local analysts to conduct a preliminary cost-benefit analysis of alternative improvement projects.

On 19 Dec. 2007, EPRC had a meeting with representatives of 14 freight forwarding companies, UBTZ, and representatives of the National Committee on Transport and Trade Facilitation (NCTTF). The aim was to develop common negotiating positions for forthcoming meetings of Mongolian freight-forwarders with their Erlian counterparts, prepare recommendations for GoM Customs negotiations with Chinese Customs counterparts, and identify key priority actions that the GoM can take during next year.

As an outcome of the meeting, the MNCCI, on behalf of freight forwarders, sent a request to the Minister for Road, Transport and Tourism and Chairman of NCTTF to discuss the issues related to the construction of logistics complex in Zamyn Uud at the next meeting of the NCTTF as well as at the Cabinet. On 10 Jan. 2008, freight forwarders will also meet to "re-establish" their association, with the purpose of streamlining their participation in the activities of NCTTF and in sector policy development and implementation. EPRC agreed to assist the association to formulate suggested key

priority actions for GoM consideration and conduct time/cost-distance analyses for the transport and logistics sector of Mongolia.

### **Competitiveness Support**

Assistance to the Financial Regulatory Commission – On 2 Dec., and with the assistance of international expert Mr. Dennis Grubb, the project commenced a 2 month consultancy to assist the Financial Regulatory Committee to develop interim regulations & procedures for assessing, evaluating and approving applications for issuance of asset-backed securities pending the enactment of comprehensive securitization laws and regulations.

### **Energy Sector Support**

GoM/external partners meetings – The Energy Working Group (EWG), co-chaired by USAID, met for a sixth time on 15 Nov., details of which were reported at the early Dec. COP meeting. The meeting scheduled for 7 Dec. was cancelled due to the pending appointment of a new Minister and the MoFE reorganization. The next GoM/External Partners technical meeting is firmly scheduled for 28 Jan. 2008.

*MoFE reorganization and tentative plans* – The new Minister, Mr. Ch. Khurelbaatar, dismissed all Ministry director level personnel. The current Deputy Minister, Mr. T. Enkhtaivan, and the State Secretary, Mr. T. Tserenpurev remain in their positions. EPRC considers this a favorable development. The most important General Director position, which is the Head of the Energy Policy and Regulation Dept., is now filled by Mr. D. Chimeddorj, the former Executive Director of the National Dispatch Center. This is also good news. A full slate of the new appointees will be issued shortly under separate cover.

Mr. Khurelbaatar, at the ERA New Year's party acknowledged publicly that the sector is bankrupt and that the ERA must take an active part in stabilizing the financial aspects of the sector. It has also been learned that the National Security Council of Mongolia is concerned that tariffs are too low and is gathering data from the ERA and others (including EPRC through the ERA) in order to make its recommendations on the matter. The Minister also stated that his first priority is to develop a comprehensive policy, strategy and planning regimen, something that has never been done in the sector in any meaningful way. All of this is considered favorable.

Electricity and heating sector emergency preparedness – EPRC's report on the status of, and issues affecting, the UB heating sector was issued to USAID and internally at EPRC. The report was also shared with the Embassy and the Asia-Pacific Center for Security Studies (APCSS) advance team for their use in planning their event that will be held in UB in March 2008. The APCSS advance team was present in UB in early Dec. Meetings were held with many stakeholders, including the EPRC project. Chemonics has responded to APCSS and Embassy questions and requests since that time and will continue to do so. Specific members of the advance team may return to UB in mid-Feb.

Public Information/Public Education (PI/PE) campaign – Little of any consequence was accomplished during Dec. due to uncertainties regarding the MoFE reorganization. The outstanding issues and actions from the November EWG meeting will be addressed at the

next EWG meeting, hopefully in Jan. The project is continuing the planning process for the television program, sponsored through the *Open Government* website, focused on the heating sector of Ulaanbaatar in Jan. or Feb. 2008.

Fuel/Coal sector – A 2,000 Togrog per ton coal price increase for the privately-owned Sharyn Gol mine was approved effective 1 Dec. 2007. This increase along with the 1,000 Togrog per ton increase approved earlier has raised the coal price from 13,600 to 16,600 Togrogs per ton.

*Performance Agreements* – The ERA is awaiting the audited year-end financials of the Baganuur and Southeast Region Distribution Company in order to determine the company's performance as agreed to with the ERA in its 2007 Performance Agreement. These numbers should be available by the end of Jan. 2008.

Amendment to the energy law – The current version of this amendment has also been on hold due to the uncertainty surrounding the MoFE reorganization. The current draft is much, much better than previous drafts. EPRC and ERA have collaborated to define remaining issues (approximately 10 or 11) and these have been sent to the MoFE for their consideration and discussions. The MoFE was planning additional changes to the current draft for Jan. 2008, after which EPRC and the ERA will again provide consolidated comments. The next step after that will be to solicit EWG comments, etc. and their approval. Getting Parliament approval of the amendment is a top EPRC/ERA priority.

### **National Dialogue Support**

Business-Government Roundtable: Comments on proposed draft customs laws – The project completed the process of collating and editing amendments and suggestions to the draft customs laws made during the Business-Government Roundtable Discussion of 21 Nov. The document was distributed to all participants for further comments. These comments have been received and incorporated into the draft law and sent to the Customs General Administration (CGA).

Formal release of Joomla! Mongolia Content Management System (CMS) – At a press conference held on 11 Dec. the Information and Communications Technology Authority (ICTA) released an official version of the free and open source Joomla! Mongolia – Content Management System (CMS), version 1.0. The projected assisted ICTA with the development of the CMS and made available a beta version in June 2007 for testing by developers and users. Release 1.0 has many improvements over the initial beta release as a result of feedback from the IT community, actual use in applications, and training conducted in GOM organizations and universities.

Based on the award winning *Joomla!* 1.0.13 CMS, Joomla! Mongolia facilitates the rapid development and administration of websites by virtue of having its core files, administration panels, messages, sample website templates, and companion training materials fully in the Mongolian language. *Joomla! Mongolia* is free and open source under the terms of the General Public License (GPL) that provides access to source code of the software to facilitate improvements and contributions from all users. While the

original purpose of the *Joomla! Mongolia* project was to ease the deployment and management of websites of government agencies to provide services and information to the general public, the software is available for free and can be downloaded from the <a href="https://www.joomla-mongolia.com">www.joomla-mongolia.com</a> website. Further development of the system, updates, extensions and training materials are also available for free at the site.

## **Gobi Regional Economic Growth Initiative** *Mercy Corps*

www.mercycorps.org.mn

### **Sales**

The Gobi Initiative uses sales generated from new business activities outlined in the formal business plans developed under the project as an indicator of success. Total sales for herder and non-herder businesses for December reached MNT 123.8 million (\$105,811) and MNT 165.8 million (\$141,700) respectively. This puts total sales for herder businesses in 2007 (by the end of December 2007) at MNT 1,813 million (\$1,549,979) and for non-herder businesses at MNT 1,838 million (\$1,571,407). As a result, **total CY2007 sales up to end of December 2007 amounts to MNT 3.65 billion** (\$3.1 million). This can be compared to the sales target for CY2007 for all GI clients of MNT 3.82 billion (\$3.24 million). GI clients have thus attained 95.6% of the planned (targeted) sales in 2007. The total sales generated by business clients under the Gobi Initiative Phase II from January 2004 to date is now MNT 10.1 billion (\$ 8.6 million) which can be compared to the total USAID funding for the Gobi Initiative (less the sub grant to Pact) of \$6.0 million.

### **New clients**

Presently, 315 clients have been selected from six Gobi Initiative aimags to work with the program in 2008. These new and old clients have nearly finished developing their business plans for execution in 2008. Currently, Mercy Corps Mongolia staff are reviewing/revising clients' business plans. Once the plans are approved by the end of January, the clients will sign a Memorandum of Understanding with Mercy Corps Mongolia/Gobi Initiative and start implementing the business plans.

### Market Watch

Monitoring and evaluation (M&E) of Market Watch Service has been conducted through Mobicom users who accessed and queried market prices within the Fourth Quarter of 2007. Pact is closely collaborating with National Association of Mongolian Agricultural Cooperative (NAMAC), in conducting a survey of the Rural Business News (RBN) distribution method through NAMAC's soum level cooperatives. Ten soums of ten aimags including non-Gobi aimags will be studied and Pact expects to have the final M&E results of both Market Watch and RBN by end of January 2008.

In collaboration with Mercy Corps, Pact initiated a new automated system for Market Watch with a server that allows market watchers to send their data directly to the server's database system. Pact is in the process of operationalizing the new system. Upon completion of the process, a pre-test with two local market watchers will begin before the new automated system is implemented for all aimags.

### Gobi Forage

The project staff traveled to four soums in Tuv aimag in early December, 2007 to collect winter data. Current forage and forecasted forage maps are regularly posted on the project website. An evaluation of the Gobi Forage project was completed on December 14, 2007. The final report was submitted to GL-CRSP - Global Livestock Research facility in the USA. The publicly announced tender to host/sponsor the Gobi Forage project will close on 3 January 2008 after which the final selection procedure will start.

### **Future events:**

During the last week of January, Gobi Initiative (GI) and the Rural Agribusiness Support Program (RASP) will hold a joint Annual Planning meeting. At the event, a total of 60 staff from the aimags and UB will participate in reviewing the major results of our 2007 work and discuss the key program activities for Year Five.

At the end of Jan., the Gobi Initiative (GI) and the Rural Agribusiness Support Program (RASP) will co-organize the "Tsagaan Sar" trade fair in cooperation with "Arhangai Development Association" NGO. Clients from eight MC aimags will participate in the fair to sell dairy, meat and felt products to UB residents. The goal is to assist the clients to expand their market opportunities and establish new relationship with UB buyers.

## GER Initiative CHF International

www.chfmongolia.org

In December, the GER Initiative helped to improve or expand 111 businesses and created 22 start up businesses which generated a total of 46 new jobs. Also this month, the GER Initiative matched 62 ger area residents to jobs.

### **Financial Services**

GER facilitated 78 loans valued at over \$101,068 with local partner banks and 20 USDA funded Capital Augmentation Fund (CAF) loans valued at \$42,777 were disbursed through local banks.

XacBank has approached CHF to explore a new group based lending product. Currently it is impossible for unregistered groups to access financing in Mongolia. Even formal groups such as cooperatives and associations have difficulties accessing financing under the collateral requirements of banks. GER Initiative has piloted a few "group" loans through the CAF program and now XAC is interested in testing the viability of a group based product. The project will help train and prepare the business groups for managing a loan and then facilitate the application process as done with other business loan products.

### **Training and Consultancies**

GER conducted 217 trainings with 124 clients participating, and 158 consultations were provided to 138 clients. GER sent 4 unemployed clients to the Gegeerel training center's handicrafts course in Bayangol. The clients learned how to make handicrafts from felt,

yarn and beads. In 4 weeks the clients will finish the training and be able to start their own business.

GER organized a rabbit fur processing training for 10 members of "Bujin" business group in Dambadarja. The business group was established last month and clients have started to operate a rabbit farm to produce fur and meat. Ms Oyunsuren, the engineer of Buligaar Share Holding Company, conducted this training.

GER conducted Business Planning and Costing Pricing trainings for 14 vegetable farming clients in Bayahkhoshuu. In general, the Bayankhoshuu branch organizes many vegetable farming technology trainings for their clients. However, small farming businesses also face major problems with planning, bookkeeping and calculating production cost. GER advisors are focused on improving small farmer business skills during the slow winter months.

GER conducted marketing, bookkeeping and customer service trainings for three handicraft clients who were awarded training certificates at the Handicraft Brand Product trade fair. Participants learned the differences between household and business bookkeeping, what marketing is and how to use it, and how to save and spend wisely.

GTZ organized training on business advising for the staff of Erdenet development organizations. Six organizations including GER Initiative attended the training.

### **Information Services**

GER provided 412 information services to 276 clients, and held five meetings with 33 clients regarding small business registration and business group formation.

GER organized a meeting of fruit tree and decorative tree growers in Darkhan. Six clients attended the meeting where the advisor talked about the advantages of working together and provided information about tree varieties and prices which was gathered in the autumn. The participants shared their experiences, exchanged information and discussed their challenges and solutions. Common challenges faced by this type of business are low sales, lack of information about potential buyers, new tree-growing technologies, and lack of generally set product prices. The clients agreed to work together on collecting tree seeds, fulfilling large orders, and exchanging information. The advisor offered to research market prices, sales channels and greenhouse information. The next meeting is scheduled to be held in February 2008.

Nearly all Khashaa Valuation Survey (KVS) have been collected. A few branches around UB are behind schedule and are expected to complete survey collections in early Jan. Available data has been entered into the KVS database and analysis will begin shortly.

### **Employment Services**

GER matched 62 clients to jobs and 28 clients entered vocational training programs. A total of 67 employment trainings were held for 65 clients. A total of 46 jobs were generated.

GER participated in a three-day workshop from the Labor Bureau of Ulaanbaatar. GER Initiative and all employment matching providers have signed agreements with the Labor Bureau of Ulaanbaatar. Based on that agreement, employment matching providers will receive 7,000 to 10,000 MNT from the Government of Mongolia's Employment Support fund per qualified job matched. GER also was trained on and has begun to use the Labor Market Manager Program software from the Social and Welfare Office.

Many unemployed GER clients in Sukhbaatar district of UB have requested training on mobile phone repair. Base on these requests GER met with officials from the Sukhbaatar District's Employment office and "Solongo" training center, which provides training on electronic device repairs. They agreed to provide training using the government's voucher training program and now 21 clients are attending the five-week repair course.

In Bulgan GER and the Erdenet PCV organized an information day for 135 students who will graduate in January of 2008. The goal of the information day was to help students prepare to interview with potential employers, to help them find employment, and to understand the importance of developing a professional career based on their skills. GER staff introduced the project, explained the types of employment services available, and conducted soft skill training. As a result of the information day's activities, many students have registered to receive the GER employment service. GER and Darkhan PCV provided similar training to unemployed people and final year students in Darkhan. After the trainings, the participants were able to write a basic resume and answer common interview questions.

### **Linkage Services**

GER facilitated linkages between businesses worth approximately \$10,530 this month. Examples linkages this month include: "Setgemj 2," a local business group, has successfully completed an order of 15 pieces of labor uniforms for Darkhan Security Company; and "Jimst Dulaankhan" a cooperative which has produced and sold 750 jars of seabuckthorn syrup to local wholesalers. GER established new linkage relationships with Kempinski – Khaan Palace Hotel, LSM LLC – mining, J&B – Trade and Logistic Company, and BHP Billiton –mining.

GER clients from Yarmag and Sharkhad branches started to produce boots with oil/acid resistant sole and metal toe protection for the mining and factory sectors of Mongolia. Until now, this type of boot was not produced in Mongolia.

### **Business Association Development Services**

GER worked with 83 active groups this month. One new group was formed, and no groups were disbanded.

The GER client Darkhan-Setgemj Cooperative has successfully finished the contract with the Darkhan Metallurgical Plan for 5,000 pieces of labor gloves which was signed in March 2007. The contract is likely to be renewed in 2008 because the Plant recently placed an additional order of 1,000 pieces of labor gloves which is due on January 10th.

The cooperative is planning to make some changes on the renewed contract such as increasing unit price and the monthly production from 500 to 800-1,200 pieces. In Dec. the cooperative completed an order of 2,000 pieces of labor gloves for another customer.

#### Other

GER Initiative staff and Peace Corps Volunteers attended the Peace Corp's In-Service Training in Terelj in December. The training was intended to strengthen cooperation between Peace Corps Volunteers and Host Country Agencies, further develop the language and technical skills of volunteers, and increase local counterparts' understanding of how to best work with Peace Corps Volunteers.

CHF has completed the field assessment of GER branch operations, existing business and employment service providers, and the potential for increased collaboration with current financial partners. The assessment report will be submitted to USAID by the end of January and will be used to refine the GER close-out plan.

# PROGRAM AREA: MORE EFFECTIVE AND ACCOUNTABLE GOVERNANCE

The Judicial Reform Project (JRP)
National Center for State Courts (NCSC)
www.ncsc.com

### **Continuing Legal Education**

On 1-2 December 2007 the JRP staff observed the administration of the 2008 Mongolian Bar Exam. Graduates of law schools with 2 or more years of experience were eligible for the Exam. The Exam took place in Ulaanbaatar at 4 locations and consisted of multiple choice questions and essay writing. According to the Non-staff Council of the Ministry of Justice, the oversight body for the Examination, 657 people took the Examination (511 from UB city and 146 from aimags). Unofficially, only 111 participants or 16.9% passed the Exam. In general, the Examination went well and reflected some improvements over the 2006 Examination, namely preparation and organization. More importantly, the grading process was transparent, accountable and more objective as the oral interview portion was removed at the recommendation of JRP.

### **Special Inspection Unit (SIU)**

The JRP brought an expert to UB to provide technical assistance to the SIU. The expert worked with the Unit to improve processes for collecting and analyzing data, develop useful statistics and develop more efficient procedures/protocols. The expert also conducted two trainings for 24 members of the SIU staff. The first training covered the following topics: criminalization of acts of torture and other cruel, inhuman or degrading treatment or punishment; investigative techniques and tactics; comparative legislation, experiences and other relevant information relating to detection; and prosecution and conviction of similar cases in other countries (e.g., the U.S.). The second training focused

on interactive practical training on crime scene investigation, corroboration of physical evidence and appropriate action in exigent circumstances.

### Law Schools

JRP brought a legal clinic expert to UB to assess and develop recommendations for the USAID funded legal clinic at Otgontenger University to assist the clinic in meeting international standards. The expert also provided a three day training for 15 professors on interactive teaching methods, professional ethics, interviewing and counseling, and analyzing case documents. The expert also conducted an open discussion with professors of the legal clinic on developing their training program and participated in a mini-court trial proceeding organized by the students. The expert shall submit his report within 3 weeks and the JRP will assist the clinic with implementing appropriate recommendations.

### **Public Education**

The broadcast of a new season of the award winning TV series "Legal Hour" continues and can be seen on TV 9 Tuesdays and Thursday at 20:00. The series informs citizens of changes in the Criminal and Criminal Procedures laws through a drama program using recurring characters.

The JRP television program "Blue Notebook" finished broadcasting in November. The TV program provided education to citizens on criminal laws and trial procedures by dramatizing real life trials. The program also included expert commentary to ensure the laws and procedures are understood by the viewers. This is especially important in Mongolia as many citizens represent themselves in court.

The JRP continues to broadcast a radio drama series on civil law entitled "Life." The program broadcasts on Mongol Radio at 7:30 on Mondays and at 21:15 on Saturdays. Each episode is rebroadcast the following morning as well. The radio program allows JRP to reach audiences that do not have access to television broadcasts.

The JRP monthly electronic newsletter (English version) for December 2007 was published and included news about GCC (General Counsel of Courts) training for Public Information Officers and the automation of the pilot police depts. The newsletter is delivered to more than 20 international organizations and local legal institutions.

### **Program Monitoring**

The JRP funded the 4<sup>th</sup> public perception survey of the judicial system in Mongolia. According to the survey, the courts protect defendants' constitutional rights, judges are generally honest and fair in deciding cases, judges decisions are based only on the facts presented, it is affordable to bring a case to court, court rulings and decision are understood by the people involved in cases, court personnel assist the public during the process and are helpful/courteous, the media's portrayal of the courts is mostly accurate, the courts adequately monitor the progress of cases, and the courts generally make reasonable efforts to ensure that individuals have adequate attorney representation.

Unfortunately, the public's perception is also that court decisions are influenced by politics, personal interests of judges, companies and government officials. The JRP will meet with the judiciary to discuss these results and assist with planning to adjust procedures, processes, etc. to further improve the public's perception of the judiciary.

The SIU conducted a review of its cases involving police personnel since a majority of the SIU's cases involve the police. The JRP provided reference material for the study upon the request of the Deputy Chief of the SIU. The results of the study revealed that there is an increase of serious, grave and organized crime by police officers (i.e. obstruction of justice, falsification of evidence, bribery, abuse of authority, excessive force, etc.). The report identifies the main factors instigating police crime as inadequacy of professional knowledge and skills of police officers; flaws in management, administration and monitoring systems within the organization; and deficiencies in the selection, qualification and training processes.

The report also provided recommendations for dealing with the above shortcomings such as establishing standard operating procedures; reviewing the selection, qualification, performance evaluation and training processes: improving the internal and prosecutorial supervision over investigations; and enhancing public relations and public education activities. The JRP will take into consideration the results and recommendations of the survey in planning its 2008 activities for improving police practices to carry out investigative and forensic functions under judicial and prosecutorial control.

### **Future Activities for January**

A police expert will travel to UB to provide training on evidence collection for 17 police officers. JRP will continue automating two police stations and developing new case tracking/management software. The JRP will continue to broadcast "Legal Hour" and begin broadcasting the radio program "Who is Guilty."

# The Mongolian Electoral and Parliamentary Support Project (MEPS) International Republican Institute (IRI) www.iri.org

### **Legislative Drafting**

On Dec. 4th, a legislative drafting training seminar was organized by IRI and the State Great Hural (SGH) Secretariat at the Parliament House. Some 80 participants representing the Legal Division of the SGH Secretariat, the SGH Standing Committees, SGH caucus services and some ministries attended this seminar. The senior research advisor of the U.S. Congressional Research Service (CRS), Ms. Sherry Shapiro, made presentations on legislative drafting procedures based on her experience with the U.S. Congress. Also, some Mongolian resource persons from the SGH and government offered lectures on the subject.

### **Research Capacity Building**

On December 6th, IRI and PAI jointly held a one day seminar on research capacity building. CRS trainer Ms. Shapiro made presentations on capacity building in legislative

research. The training was attended by some 50 researchers and experts of the PAI, the SGH caucus services and the SGH Secretariat.

IRI staff and CRS trainer Ms. Shapiro met with Mr. Chuluunbaatar, Director of the Policy Analysis Institute (PAI) and Mr. Bayar, Scientific Secretary of PAI. They discussed issues related to current and planned activities of the PAI and exchanged opinions on areas of future possible cooperation between the PAI and CRS.

### Citizen's Will Party (CWP) Women's Seminar

On Dec. 19th, a women's seminar for CWP was conducted at the Nairamdal complex. Over 80 participants from 6 aimags and 8 districts of UB attended the event. Presentations on "Election campaign strategy", "Non-partisan Civil Society Oversight of Election Processes: legal environment and opportunities", "Concepts of the SGH and local election laws", "The need to increase women's participation in political decision-making" and "Leadership qualities of female politicians" were made by prominent women politicians and civil movement female leaders. The head of the "Women Leaders" Foundation, DP member Ms. Bolormaa, relayed what she learned from Ms. Sarah Simmons' training (DP training in Aug. 2007) with other CWP women politicians. She addressed the topics of targeting, message development and campaign staff management at the seminar.

On December 28, IRI staff met with the Coordinator of the "Sociological Academy" within the National University of Mongolia, Dr. Burenjargal, to discuss the poll that IRI Mongolia is planning to conduct on political issues in early 2008.

### **Election Law Update**

On Dec. 25th, the SGH voted to remove the quota from the Election Law that would have required each political party to nominate female candidates for 30% of the parliamentary seats for the 2008 parliamentary elections. The amendment that annulled this provision was submitted by MP Z. Enkhbold (DP) and MP Nyamsuren (MPRP). Out of the 49 MPs who attended the session, 47 voted for removal. The only two MPs who voted against abolishing the quota were female MPs Munkhtuya (DP) and Arvin (MPRP). Ms. Gandi (MP-MPRP) boycotted the voting and MP Oyun (CWP) did not attend the session.

The issue of what kind of election system will be in place for the 2008 parliamentary elections is remains unclear. Although there was much talk in the SGH regarding changing the election system to a proportional one, the multi-mandate model is still in place. The deadline for amending the election law passed on 29 December 2007.

## The Mongolia Anti-Corruption Support Project (MACS) The Asia Foundation

www.asiafound.org

### **IAAC Institution-building**

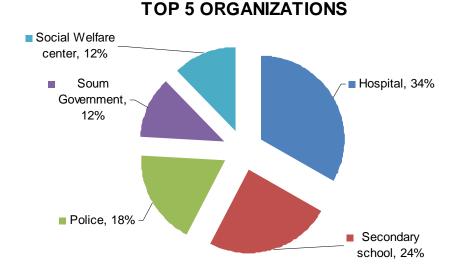
On December 28th, the Parliament ratified Mr. Chimgee Sangaragchaa, former Head of the Investigation Department of General Intelligence Agency, as a Commissioner

General of the Independent Authority Against Corruption. Mr. Sangaragchaa was born in Durvuljin soum, Zavhan aimag in 1951, and was educated in Russia. He has worked in law enforcement bodies since 1970. He started as a very junior officer at the District Police Department and was promoted rapidly to Deputy Head of Criminal Police and the Head of Organized Crime Department. He also served as a Dean of the Undercover Operations Faculty of the Police Academy. Mr. Sangaragchaa is a firm supporter of the Foundation's work in combating Trafficking in Persons. TAF is scheduled to meet him in mid January, 2008.

The IAAC has transferred 21 cases to the General Prosecutor's Office for prosecution. The IAAC is now investigating over 70 cases of which 60 were identified through the complaint mechanism (hotline & mailbox) and 50 were referred by other GoM bodies.

### **Eradicating Administrative Level Corruption**

The Academy for Political Education (APE) now operates 9 hotlines in nine aimags. The nine aimags are: Darkhan Uul, Dornod, Dundgobi, Uvurhangai, Khovd, Husgul, Orhon, Umnugobi, and Selenge. In December, APE received 69 calls for a total of 2,620 in the hotline's first year of operation. By region, Uvurhangai and Dornod (30.4%), Khovd (15.9%) and Orkhon (13%), received the most calls.



### **Public Awareness and Education**

TAF Communications team has worked with the IAAC to finalize Phase II planning of the multi-media campaign for the IAAC's Corruption Reporting Center and hotline 1969.

### Phase II: January

A third ad will broadcast on major TV stations in mid January. Five new radio ads with five celebrities including Bold and Sarantuya will air. The same print ad will continue to be published the four major newspapers. New billboards will be placed in new locations.

*International Anti-Corruption Day – December 9* 

TAF worked with the IAAC to organize outreach activities in universities on December 7th to raise awareness about the new Corruption Reporting Center and the international anti-corruption day. These outreach activities helped to put a human face to the IAAC and helped boost public confidence in the IAAC.

In addition, TAF prepared a special television ad involving: Altai the Director of TV25, Sarantuya the singer, Jantsannorov the composer and others that was broadcasted during December 7-10. The ad consisted of a handful of respected celebrities appealing to the public to fight/report corruption.

Other Anti-Corruption Day activities being organized by IAAC during December 7-10 included the placement of articles in major newspapers, a TV program and play, and outreach to high schools.

TAF Communication team continues to work with the IAAC to expand the outreach activities to Public and Private sector by involving Mongolian Chamber of Commerce and Industry and Civil Servants Council.

## CENTRALLLY (USAID/W) OR REGIONALLY (USAID/RDMA) FUNDED PROJECTS

# Eastern Steppe Living Landscape Project - Sustaining Wildlife and Traditional Livelihoods in the Arid Grasslands of Mongolia Wildlife Conservation Society

www.wcs.org

### **Living Landscapes Program (LLP)**

Collaborative Wildlife Protection Program: WCS staff members traveled to Choibalsan, Dornod aimag, in December to hold follow-up meetings with participants in the Wildlife Law Enforcement Trainings held in the Nomrog Strictly Protected Areas (SPA) in September 2007. Staff met with representatives from the State Border Defense Agency, Nomrog SPA and Dornod Protected Area Administration and the Environmental Protection Agency. The focus of the meetings was to collect the information gathered by collaborative patrol teams set up during the training and to prepare the information for analysis and distribution. Suggestions were made for updating the patrol forms, improving the quality of the data collected and for storing, analyzing and presenting the information from the patrols in a format that officials can use to improve the future management of the protected area and improve wildlife law enforcement in the region.

Eastern Steppe Conservation Planning: A series of events marking the 20<sup>th</sup> anniversary of the establishment of the Mongolian Ministry of Nature and Environment were held in Ulaanbaatar on Dec. 20-21, 2007. WCS staff meet with representatives from protected areas and environmental agencies of the Eastern Steppe aimags (Dornod, Khentii and Sukhbaatar) who traveled to Ulaanbaatar for the anniversary events. Agendas and

participant lists for upcoming conservation planning stakeholder workshops on the Eastern Steppe were discussed and general plans were made for future cooperation and partnership with local authorities and Eastern Steppe stakeholders in 2008.

Eastern Steppe Community Conservation Partnerships: Maps of community protected areas on the Eastern Steppe were delivered to each community conservation partnership group in Dec. These maps will be essential tools for community wildlife monitoring and protection activities. Work on reports of fall 2007 activities progressed with plans to incorporate suggestions of community partnership members into activities planned for 2008 including a "Nokhorlol (community partnership) informal open talk" session to provide community groups the opportunity to share information and lessons learned.

### **Wildlife Trade Law Enforcement**

Wildlife Trade Market Surveys: With support from the World Bank, in December WCS launched a project designed to examine the enforcement of wildlife trade regulations in Ulaanbaatar markets and a sample of aimag-level trade sites. Wildlife trade surveys are underway in raw material markets, large whole-sale food markets, restaurants and hospital/pharmacies in the Ulaanbaatar area. A smaller scale survey is underway in Choibalsan, Dornod aimag. In addition to quantifying the volume and value of trade in wildlife, the market surveys are designed to collect information about wildlife trade violations and to identify the strengths and weaknesses of the existing enforcement system with the goal of improving the future effectiveness of wildlife trade law enforcement across the country.

WCS Staff Recognition: WCS Mongolia program Wildlife Trade Specialist, Ms. N. Odonchimeg, was honored during the 20<sup>th</sup> Anniversary celebrations of the Ministry of Nature and Environment (MNE) with an award of "Best Environmental Manager" according to MNE Minister's order No. 339, for her contribution to Mongolian nature and environment.

### **WCS Field Veterinary Program**

Avian Influenza- GAINS: Samples collected from wild birds surveyed in Mongolia in 2007 are currently undergoing testing in the United States. RNA extractions have been completed on approximately 1, 000 samples and are currently being submitted for RT-PCR at laboratories at the University of California, Davis. Testing of serum samples will begin in January at the USDA-ARS laboratories in Athens, Georgia. As results of laboratory analyses are received these will be shared immediately with partners at the Mongolian State Central Veterinary Laboratory and the Mongolian Veterinary Department. With their approval, laboratory results will then be shared with the wider avian influenza community through the GAINS website, <a href="http://www.gains.org">http://www.gains.org</a>.

The first report of the re-sighting of a Bar-headed goose captured and marked by the WCS GAINS team in Mongolia in the summer of 2007 was received in December. The male Bar-headed goose was tagged with the collar E6 on July 19, 2007, in the Darkhad Valley of Hovsgol aimag (N: 99.41078, E: 51.19736). He was one of 50 Bar-headed Geese fitted with collars in July, and is the first for which re-sighting information has

been received. Based on the information given, the bird has traveled a direct line distance of ~4,780 km as depicted in the photo below.





Bar-headed goose E-9 at capture in Mongolia in July 2007

Migration of Bar-headed goose from Mongolia to India (~4,780 km)

Planning & Coordinating 2008 Field Season Activities: WCS staff participated in a series of meetings with the goal of coordinating 2008 avian influenza surveillance activities with concerned Mongolian agencies and other donor supported activities. Meetings were held with Drs. Roger Morris, World Bank consultant, and Guo Fusheng, FAO representative, to discuss the World Bank - Avian Influenza Control and Human Influenza Preparedness and Response Project (AICHIPRP). WCS staff also attended the meeting to discuss the summary and technical document generated by AICHIPRP at the World Bank Ulaanbaatar office on 12 December 2007.

*New Staff Hires:* The WCS Mongolia/Field Veterinary Program has hired the veterinarian, Dr. S. Enkhtuvshin, to assist with the coordination of avian influenza and other veterinary related activities. She will travel to WCS headquarters at the Bronx Zoo in New York in January for project planning and orientation.

### **Upcoming Events**

Eastern Steppe LLP Conservation Planning Stakeholder Workshops

- -- January 14, 2008: Undurkhaan, Khentii aimag
- -- January 17, 2008: Baron-Urt, Sukhbaatar aimag
- -- February 22, 2008: Choibalsan, Dornod aimag

## The Training, Advocacy and Networking Project (TAN) Mercy Corps

www.mercycorps.org.mn

### **Community-Based Social Welfare Service Seminar**

In the first week of December TAN sponsored a training seminar covering "Community-Based Social Welfare," by which local governments may contract out social services to

registered local NGOs. The seminar was led by Ms. Olonbayar of the Ulaanbaatar-based NGO, The Social Welfare Cooperation Fund. The training was attended by 35 individuals representing all five TAN aimags, including representatives of CSOs, and aimag departments of social welfare and labor. On the morning of the first day representatives from the national-level Department of Social Welfare and Labor also participated, though the Deputy Minister was unable to attend as planned due to an unforeseen appointment.

The purpose of the seminar was to clarify the rules surrounding community-based social welfare. Encouraging government and CSOs to cooperate via community-based social welfare is an important part of TAN. The largest impediment to this cooperation thus far has simply been a lack of knowledge of how the process can and should work, including basic knowledge of which types of activities can and cannot be contracted out to CSOs. Even the relevant government officials lack basic knowledge of the process, which has increased their hesitation.

During the seminar each aimag's CSO and local government representatives developed preliminary plans for pilot projects to be jointly implemented. These plans will be further developed over the next month, with Ms. Olonbayar providing consultations. In addition, participating CSOs were tasked with relaying information received during the seminar to CSO members who were unable to participate.

### **Uvurkhangai Tripartite Annual Meeting**

On 17 December 2007 Uvurkhangai's government-CSO-business "Tripartite Partnership Council" organized its annual conference. While TAN established government-CSO working committees in each of its other four aimags, in Uvurkhangai TAN has worked through the existing Tripartite Partnership Council, which was formed in 1999.

Approximately 120 persons attended the conference, with 30 individuals participating from the Uvurkhangai governor's office (including the governor), and 30 individuals representing small to medium scale businesses and 29 local CSO representatives. Twenty-five participants came from TAN's Bulgan, Khentii, Arkhangai and Dundgobi CSO networks. The event was financed by aimag authorities, with the exception of the transportation and lodging costs of the guests from outside Uvurkhangai, which were covered by TAN.

The main goal of the meeting was to clarify the roles of each sector, and discuss some of the more urgent issues facing the community. While the open and lively discussions provided an excellent example to all present of the need to jointly address community problems, the conference would probably have benefited from a more narrow focus designed to produce more tangible outcomes. The previous year's annual meeting was more focused; examining local medical services, and ultimately led to solving the local hospital's drinking water problem and provided a list of recommendations to local Department of Health officials.

The conference was featured in the local print media and on the news programs of two local television channels. Moreover, the conference received nationwide coverage on the "Mongolian National Television" channel's evening news broadcast.

### The "Training, Information and Development Center for Youth" Project Completes Activity in Arkhangai

In Arkhangai, the local CSO "Youth Association" completed its project entitled "Training, Information and Development Center for Youth." The initial goal of the project was to increase the civic participation and access to information of unemployed youth in the second bagh of Arkhangai. However, as unforeseen opportunities for collaboration with local government appeared, the scope of the project widened.

Some of this collaborative work will continue beyond the life of the project. For example, local authorities signed a 3.4 million MNT contract with the "Youth Association" to run an employment agency out of the center established as part of the project. That contract will run through April of 2008, and the Youth Association is hopeful of renewing the contract. A total of 260 people have been referred for temporary and permanent jobs.

Other collaborative activities implemented outside of the original project framework included organizing a one-day labor fair, for which the local Department of Social Welfare and Labor provided a 450,000 MNT budget. A total of twenty government, NGO and commercial organizations introduced their activities and employment needs to about 500 citizens of the soum. A total of 42 people were registered as unemployed as part of this activity, with 27 ultimately receiving permanent jobs.

The "Youth Association" also arranged for a public park renovation with the Department of Social Welfare and Labor, with an 875,000 MNT budget. A total of 54 jobless youth received a day's work by planting 1373 trees across the 8 hectare park. The temporary employees also cleaned up the park and restored its old benches. Now the gardening park is a very popular place for aimag citizens to go for walks.

### "Right Attitude, Right Way" Project Delivers Education Recommendations

As part of its "Right Way, Right Attitude" project, the Scout Association of Uvurkhangai has issued a set of recommendations to the administration of School Number One in Avraikheer. The following recommendations are based on questionnaires and focus groups involving students, parents, teachers and mid-level administrators.

- Provide greater transparancy in school's budget planning and budget allocation, with greater involvement of teachers and staff in budget reporting.
- Include teacher evaluation forms filled out by students as part of the overall evaluation process of teachers.
- Involve teachers and staff in the development of school planning and internal organizational rules.
- Improve the quality of the school cafe and restroom.
- Institute a regular schedule of meetings for the school's Board of Management.
- Establish a "partnership council" of parents, teachers, and children.

- Provide training to teachers and staff for introducing new teaching methodolgies.
- Make the school's Trade Union work more effectively by increasing teachers' voices in the union and establishing regular meetings that address concerns of teachers and mid-level administrators.

The administration of the school has agreed to act on these recommendations over the course of the next three months.

### Tsets Mongol and Scout Association Carry Out Fund Raising Training for their Volunteers and Board Members

Having previously received fundraising training from TAN local trainers, the Khentii-based local CSOs "Tsets Mongol" and the "Khentii Scouts Association" carried out training seminars for their members and boards of directors. Immediately after the training, the Scout Association began a fundraising campaign for a New Year celebration, which they organized for disabled children of the aimag center, Undurkhan. A total of 110,000 MNT was collected for the event.

### **Upcoming TAN Activities Include the Following:**

- Select new projects,
- Select new social entrepreneurs,
- Receive "Community-Based Social Welfare" proposals from 5 aimags,
- TAN quarterly meeting,
- Visit of Mercy Corps' Civil Society and Conflict Management Team Senior Program Officer, Michael Szporluk,
- Khentii NGO Forum, and
- Monitoring of existing activities

### **IMPPACTS**

### CHF International

www.chfmongolia.org

IMPPACTS and GER Initiative participated in the National Cooperative Development workshop sponsored by the Norwegian Lutheran Mission's Wool Processing and Marketing Project, the Nationwide Cooperative Development Program, and the GoM. Over 180 participants attended from rural and urban coops, unions, government agencies and two Parliament members. IMPPACTS gave a presentation on community discussions held in October and November on the cooperative law. Participants at the workshop discussed the need for a strong coop apex organization to support cooperatives and the need for greater cooperation between government and cooperatives.

The Mongolian National Radio program "Voice of Cooperatives" aired four programs about the process of cooperative law changes and cooperatives voice for options on changing law. IMPPACTS is continuing its study on unsuccessful business groups to explore why business groups fail after the success of their initial collaboration. The study will help IMPPACTS and GER Initiative explore what can be done to help strengthen business groups over the long term.